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~~CONFIDENTIAL~~May 19th, 1959COCOM Document No. 3416.35/6COORDINATING COMMITTEERECORD OF DISCUSSIONONUNITED KINGDOM PROPOSAL TO REDEFINE ITEM 1635(b) -NICKEL BEARING STEELSMay 11th, 1959

Present: Belgium (Luxembourg), Denmark, France, Germany, Italy, Japan, Netherlands, United Kingdom, United States.

References: COCOM 3416.00/1, 3416.35/3 and 4.

1. The CHAIRMAN drew the attention of the Committee to the United Kingdom Memorandum on Item 1635(b) (COCOM 3416.35/4). He recalled that a new definition had been agreed which would have come into force on April 15th if no Member Country had raised an objection before that date. The current definition was therefore that given in COCOM 3300. The United Kingdom authorities were now proposing to return to the original cut-off of 35% or more of alloying elements and to add a Note naming certain substances which, for the purpose of the definition, were not regarded as alloying elements (paragraph 6 of the United Kingdom Memorandum). He invited Delegates to give the views of their authorities.

2. The BELGIAN Delegate asked the following 2 questions:

- (a) Under the present definition, could nickel bearing steel containing any percentage of titanium or niobium-tantalum be exported provided that the total of alloying elements did not amount to more than 35%?
- (b) Under the revised definition, to which the United Kingdom were objecting, if a nickel bearing steel contained less than 0.4% of titanium or niobium-tantalum, could the remaining alloying elements exceed 32% and contain, for example, 25% chrome and 20% nickel?

3. The FRENCH Delegate commented that it was extremely difficult to reply to these questions since they questioned the fundamental points of both definitions.

4. The GERMAN Delegate said that he thought that the answer to the second question put by his Belgian colleague was positive, provided that the alloy in question were not covered by another item on the embargo list. The Delegate stated that he could accept the new United Kingdom proposals with slight modifications. He could accept the figure of 35%, also the proposal to use maximum specifications although his authorities favoured minimum specifications. He could agree that carbon, silicon, manganese, sulphur and phosphorous should not be regarded as alloying elements but he could not agree in the case of titanium, niobium and tantalum.

5. The UNITED STATES Delegate said that, first, his authorities did not understand the reference to certain steels in the United Kingdom Memorandum. They felt that the intention of the revised definition shown in paragraph 2 of the United Kingdom Memorandum (COCOM 3416.35/4) was to embargo only stabilised steels used primarily for military purposes, which was not the case with the 18/8 type of stainless steel. Certain types specified by the American Iron and

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Steel Institute (A.I.S.I.) such as Nos. A.I.S.I. 301, 302 and 303 were not stabilised and were therefore not caught by the embargo. Secondly the United States authorities did not understand the point that the use of minimum specifications made administration of control more difficult than control based on the actual composition of a specific shipment. In the United States view it would be more difficult, if not impossible, to administer a control based on the composition of individual shipments. Thirdly they agreed that carbon, sulphur and phosphorous should not be considered as alloying elements, but they did not agree in the case of silicon and manganese because these were added for alloying purposes to all nickel bearing stainless steels, including stabilised steels. Nor could they agree that titanium, niobium and tantalum should not be regarded as alloying elements. Fourthly his authorities would appreciate the United Kingdom comments as to which of the American Iron and Steel Institute types (or any other recognised classification) covered by the revised definition would be free under the United Kingdom proposal. In this connexion the United States authorities would welcome the views of other Member Countries as well. This type of tangible approach had been very useful when dealing, for example, with cobalt. Finally, the Delegate said that according to recent information from the United States steel industry some stabilised steels which fell below the 32% cut-off were mainly of military use.

6. The BELGIAN Delegate thanked his German colleague for the reply he had given and asked the United Kingdom Delegate whether he considered that under the current definition titanium, niobium and tantalum were considered as alloying elements.

7. The GERMAN Delegate said that his authorities had understood the United Kingdom proposal to refer to the revised definition which should have come into force on April 15th, substituting 35% for 32% and with the addition of a Note concerning the substances which were not regarded as alloying elements. He added that if not all Delegation could accept the inclusion of silicon and manganese in this Note, his authorities also might reconsider their inclusion.

8. The UNITED KINGDOM Delegate in reply stated that his authorities proposed that the current definition in COCOM 3300 should continue, with the addition of a Note excluding as alloying elements the eight substances mentioned in paragraph 6 of the United Kingdom Memorandum. As titanium, niobium and tantalum were contained in this list there was no further need to refer to them more specifically in the definition.

9. The FRENCH Delegate said that his position was the same as had just been described by his German colleague (see paragraph 7 above). In the Brussels Nomenclature silicon, manganese, sulphur and phosphorous were mentioned as alloying elements and the French Delegation could accept the United Kingdom proposal provided the following cut-offs as given by the Brussels Nomenclature were applied:

|             |                             |
|-------------|-----------------------------|
| Silicon     | more than 2%                |
| manganese   | " " 2%                      |
| sulphur     | equal to or more than 0.12% |
| phosphorous | " " " " " 0.12%             |
| tantalum    | " " " " " 0.1%              |
| niobium     | " " " " " 0.1%              |
| titanium    | " " " " " 0.1%              |
| nickel      | " " " " " 0.5%              |
| chromium    | " " " " " 0.5%              |
| molybdenum  | " " " " " 0.1%              |
| vanadium    | " " " " " 0.1%              |
| tungsten    | " " " " " 0.3%              |
| cobalt      | " " " " " 0.3%              |

Commenting on the United States suggestion that a list of types of steels covered by the current definition and by the United Kingdom proposal would be useful the Delegate said that such a list would be virtually impossible to draw up since new types of steel were manufactured every day.

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10. The JAPANESE Delegate stated that he could accept the 35% cut-off taking into account the usual tolerances. With regard to the Note proposed by the United Kingdom, he said that stabilising elements such as titanium, niobium and tantalum should be considered as alloying elements but whether silicon or manganese were considered as alloying elements depended entirely on the type of steel being manufactured, for example, the silicon used in sheets for electric transformers was an alloying element as was the manganese used in manganese steel. For stainless steel however both silicon and manganese should be considered impurities. He understood that the United Kingdom Note would refer only to the definition in question and not to general purpose alloying elements.

11. The BELGIAN Delegate stated that his authorities could accept the cut-off of 35% if alloys containing less than 0.4% titanium or niobium-tantalum continued to be excluded.

12. The UNITED STATES Delegate said he thought the exclusion clause to which his Belgian colleague referred might not be acceptable if the Committee had retained the existing 35% cut-off.

13. The CHAIRMAN recommended that Delegations should concentrate first on the problem of whether the cut-off should be 32% or 35% and secondly, if it were 35%, whether or not there should be a list of substances which were not to be considered as alloying elements. In this latter connection the suggestions made by the Belgian and German Delegates seemed to offer a suitable basis for a compromise solution.

14. The COMMITTEE agreed to continue the discussion on May 28th.

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